



Parish of Ascension

OFFICE OF THE PRESIDENT

www.ascensionparish.net

HAROLD MARCHAND

ASCENSION PARISH PRESIDENT

May 31, 2001

Members of the Parish Council
And Citizens of the Parish of Ascension:

I am pleased to submit the General Purpose Financial Statements (GPFS) and Single Audit for the Parish of Ascension (Parish) for the fiscal year ended December 31, 2000.

Ascension Parish experienced another financially successful year and approaches 2001 with funding that provide a means to begin addressing the needs of our growing community. As most of you are aware, a major initiative of the Parish is to provide water and sewer services. The anticipated financial commitment from the Parish has been estimated at \$110 million. Significant aspects of the Parish's financial well being as of and for the year ended December 31, 2000, are detailed below.

PROFILE OF GOVERNMENT

The Parish of Ascension is located southeast of the City of Baton Rouge, which is the state capital and second largest city in Louisiana. The Parish is located on the Mississippi River with the majority of its population on the east bank. The Parish was founded in 1845 when the county of Acadia was split into the parishes of Ascension and St James. The Parish currently occupies a land area of 292 square miles and serves a population of 76,627 according to the US Census of 2000. The population reflects 32% growth from the census of 1990, and as such, makes Ascension Parish one of the highest growth rate locations in Louisiana.

The Parish adopted the provisions of the Ascension Parish Home Rule Charter, which was effective in January 1994. The Home Rule Charter established the Ascension Parish Council as the governing authority for the Parish of Ascension and as a political subdivision of the State of Louisiana. Policy-making and legislative authority are vested in a governing council consisting of 11 councilmen. The governing council is responsible, among other things, for passing ordinances, adopting the budget and appointing committees. The Parish President is the chief executive officer of the Parish. The Council members and Parish President are elected for four-year terms. The council members are elected by district while the Parish President is elected parish-wide.

The Parish provides a full range of services to the general public including infrastructure maintenance and construction, public safety, public works, fire protection, public health and social services, mental health services, planning and zoning, economic development, recreation, libraries, general administrative services, and road lighting.

FINANCIAL INFORMATION

General Governmental Functions

The general government operations, of the Parish, are accounted for in the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds. The following is a summary of general governmental operations for 2000 by fund type:

	(in thousands)				
	Totals	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
Revenues & transfers	\$ 59,233	\$ 8,960	\$ 39,584	\$ 3,812	\$ 6,877
Expenditures & transfers	<u>54,008</u>	<u>9,016</u>	<u>35,612</u>	<u>3,752</u>	<u>5,628</u>
Surplus (deficit)	5,225	(56)	3,972	60	1,249
Fund Balance, December 31, 1999	<u>56,855</u>	<u>59</u>	<u>30,285</u>	<u>4,673</u>	<u>21,838</u>
Fund Balance, December 31, 2000	<u>\$ 62,080</u>	<u>\$ 3</u>	<u>\$ 34,257</u>	<u>\$ 4,733</u>	<u>\$ 23,087</u>

Revenues of the primary government for general governmental fund types for 2000 totaled \$37.9 million, compared with \$39.8 million for the previous year, representing a \$1.9 million decrease or 4% decline.

Approximately \$24.4 million of the \$37.9 million collected in 2000 was dedicated for special purposes. As a result, the remaining \$13.5 million was available to fund a number of Parish services. These undedicated funds supported the Department of Public Works, all Parish administrative functions, the Parish Jail system, Parish recreation and mandated costs for certain Parish agencies, such as the Parish Court, District Attorney and Coroner. Sources of general governmental revenues are summarized below.

	(in thousands)			
	2000		1999	
<u>Sources of Revenue</u>	<u>Revenue</u>	<u>Percent</u>	<u>Revenue</u>	<u>Percent</u>
Taxes	\$ 29,261	77%	\$ 31,221	78%
Licenses and permits	1,506	4%	1,517	4%
Intergovernmental	3,293	9%	3,413	9%
Miscellaneous	<u>3,817</u>	<u>10%</u>	<u>3,622</u>	<u>9%</u>
Total	<u>\$ 37,877</u>	<u>100%</u>	<u>\$ 39,773</u>	<u>100%</u>

The reduction in revenue of \$1.9 million is primarily declines in sales and use taxes. For 2000, the Parish experienced a decrease in sales and use tax collections of approximately 9.5% or \$2.4 million. The reduction in sales and use tax collections were partially offset by increases in investment earnings.

As noted above, the Parish's activities are largely supported by tax revenues, which represent 77% of total governmental sources.

Expenditures of the primary government decreased \$3.4 million in 2000. Expenditures for general governmental functions for each major function are summarized in the following table.

Function	(in thousands)			
	2000		1999	
	Expenditure	Percent	Expenditure	Percent
General government	\$ 5,361	16%	\$ 5,671	16%
Public safety	3,652	11%	2,305	6%
Public works	8,138	25%	8,422	23%
Health and welfare	3,180	10%	2,427	7%
Culture and recreation	3,166	10%	3,043	8%
Debt service	3,478	11%	2,986	8%
Capital outlay	<u>5,626</u>	<u>17%</u>	<u>11,184</u>	<u>31%</u>
Total	<u>\$ 32,601</u>	<u>100%</u>	<u>\$ 36,038</u>	<u>100%</u>

The largest decrease in spending occurred in capital outlay of \$5.6 million or 14%.

ECONOMIC CONDITION AND OUTLOOK

A number of companies engaged in oil refining and petrochemical processing are found in the industrial corridor along the Mississippi River in and around the Parish of Ascension. These industries are major employers of Ascension's labor force. Other important industries include government, construction, banking and financial services, insurance, telecommunications, real estate, and wholesale and retail trade. These industries continue to expand in our area.

Ascension continues to be one of the fastest growing parishes in the state. With our growth, we continue to have a strong tax base and a high employment rate. Our school system, which is rated third in the state, provides our youth with a strong educational foundation and is a contributing factor to the population growth being experienced.

We expect the Parish to continue to grow over the next ten years and look forward to resolving the challenges it creates.

MAJOR INITIATIVES FOR THE FUTURE

The Administration will continue its commitment to service the needs of the citizens of Ascension Parish. Research and planning is continuing on the following:

- Development of a water/wastewater system master plan with approximately \$900,000 to be dedicated by December 31, 2001,
- Development of a Road Master Plan (\$100,000 in the 2001 budget),
- Expansion of economic development programs to include light industrial and distribution centers,
- Expansion of recreational opportunities to include alternative recreation and funding for the arts,
- Development of a Drug and Litter Court,
- Construction of an Animal Control Facility,
- Restructure the Health Unit Services in response to State funding reductions during 2000,
- Development of a park in the Prairieville/Dutchtown area,
- *Ascension Plan* - This initiative is directed at the revision of the Development Code and Land Use map for Ascension Parish. The Parish is currently developing new approaches for preserving land values and managing growth.
- *Ascension 2020* is a visualization of life in the Parish in the year 2020. Using data collected from citizen input and other studies and projects, a comprehensive list of issues has been compiled. From the efforts placed forward, a strategic plan for addressing these needs is currently being developed.

At December 31, 2000, the Parish has approximately \$23.5 million in fund balance in its capital project funds. Major construction projects budgeted for 2001 include:

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|---------------------------------------|----------------|
| • Courthouse East Renovation | \$ 5.4 million |
| • Road and bridge construction | \$10.3 million |
| • Drainage projects | \$ 5.4 million |
| • Recreation and Tourism construction | \$ 1.1 million |
| • Others | \$ 1.0 million |

OTHER INFORMATION

Government Structure

A determination of the financial reporting entity to be included in the GPFS is made through the application of criteria established by the Governmental Accounting Standards Board, Statement 14 as is further explained in the Summary of Significant Accounting Policies in the Notes to the GPFS.

The Parish's financial reporting entity consists of the following:

- The Primary Government – This is the Parish (all funds administered by the Parish),
- Blended Component Units – These are Parish governmental units that, although very closely related to the Parish, are legally separate, and whose financial statements are reported in this GPFS as part of the primary government.
- Discrete Component Units – These are Parish governmental units that are less closely related than the blended component units, but still have sufficient relationships that the Parish must report their financial statements in the GPFS.

Independent Audit

The local government charter requires a comprehensive annual audit to be performed by a firm of certified public accountants. The Parish's GPFS have been audited by Faulk & Winkler, LLC.

In addition to meeting the requirements set forth by the local charter and state statutes, the audit also meets the requirements of the Single Audit Act of 1996 and the requirements of related U.S. Office of Management and Budget Circular A-133. The auditors' reports related specifically to the single audit are included in this publication.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance and Administration Departments. In addition, I wish to express my appreciation to the Parish Council for their continuing interest and support in planning and conducting the financial affairs of the Parish in a responsible and progressive manner.

Respectfully submitted,

PARISH OF ASCENSION



Harold Marchand
Parish President



Gwen Leblanc
Chief Financial Officer

